

**AGENDA FOR THE
REGULAR COUNCIL MEETING OF
TUESDAY, AUGUST 9, 2005 AT 10:00 A.M.
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

NOTE: The public portion of the meeting will begin at 10:00 a.m. The City Council will meet in Closed Session this morning from 9:00 a.m. – 10:00 a.m. Copies of the Closed Session agenda are available in the Office of the City Clerk.

OTHER LEGISLATIVE MEETINGS

The **SAN DIEGO HOUSING AUTHORITY** is scheduled to meet today in the Council Chambers. A separate agenda is published for it, and is available in the Office of the City Clerk. For more information, please contact the Housing Authority Secretary at (619) 578-7540.

ITEM-300: ROLL CALL.

NON-AGENDA PUBLIC COMMENT

This portion of the agenda provides an opportunity for members of the public to address the Council on items of interest within the jurisdiction of the Council. (Comments relating to items on today’s docket are to be taken at the time the item is heard.)

Time allotted to each speaker is determined by the Chair, however, comments are limited to no more than three (3) minutes **total per subject** regardless of the number of those wishing to speak. Submit requests to speak to the City Clerk **prior** to the start of the meeting. Pursuant to the Brown Act, no discussion or action, other than a referral, shall be taken by Council on any issue brought forth under “Non-Agenda Public Comment.”

COUNCIL, CITY ATTORNEY, CITY MANAGER COMMENT

REQUEST FOR CONTINUANCE

The Council will now consider requests to continue specific items.

=== LEGISLATIVE SCHEDULE ===

Adoption Agenda, Discussion, Other Legislative Items

ITEM-330: Progress Reports from Kroll (the Audit Committee), Willkie, Farr, Vinson & Elkins, and KPMG, regarding the Audit and Financial Investigation of the City of San Diego's Pension System and Disclosure Practices.
CITY MANAGER'S RECOMMENDATION: Adopt the resolution.

ITEM-331: Two actions related to Fourth Amendment to Agreement with Kroll, Inc. for Services related to the Audit of the City's Comprehensive Annual Financial Report (CAFR); and Third Amendment to Agreement with Willkie, Farr and Gallagher to Provide Independent Legal Counsel to Kroll and the Audit Committee on These Matters.
CITY MANAGER'S RECOMMENDATION: Adopt the resolutions.

ITEM-332: Seventh Amendment to Retention Agreement with KPMG, LLP to Perform an Audit of the City's FY 2003 Financial Statements.
CITY MANAGER'S RECOMMENDATION: Adopt the resolution.

Noticed Hearings, Discussion

ITEM-333: Promontory Point Condominiums. (Uptown Community Plan Area. District 3.)

Matter of approving, conditionally approving, modifying or denying a Street Vacation, Tentative Map and Site Development Permit to allow development of a 15,246 square foot site with a twelve unit multi-family condominium project in a seven story building, two levels of which are a parking garage, and vacation of unused public right-of-way, site grading and landscape improvements. The project site is located at the northerly terminus of Sixth Avenue in the Mid-City Planned District within the Uptown Community Plan Area.

CITY MANAGER'S RECOMMENDATION: Adopt the resolutions in Subitems A and B; and adopt the resolution in Subitem C to grant the permit.

=== LEGISLATIVE SCHEDULE (Continued) ===

Noticed Hearings, Discussion (Continued)

ITEM-334: SDG&E Right-Of-Way Vacation. (Southeastern Community Plan Area. District 8.)

Matter of approving, conditionally approving, modifying or denying a Public Right-Of-Way Vacation to vacate a portion of “G” Street located between 29th and 30th Streets for the future location of an SDG&E substation in the CT-2 Zone of the Southeastern San Diego Planned District within the Grant Hill neighborhood of the Southeastern San Diego Community Planning area.

CITY MANAGER’S RECOMMENDATION: Adopt the resolution.

ITEM-335: River View Village Residential. (Navajo Community Plan Area. District 7.)

Matter of approving, conditionally approving, modifying or denying an application to/for; 1) Amend the Navajo Community Plan and the Progress Guide and General Plan for the City of San Diego to designate approximately 6.4-acres from light industrial use to single-family residential use; 2) Rezone approximately 6.4-acres from AR-1-2 (Agricultural-Residential) to RX-1-1 (Single-Family Residential – Small Lot); 3) A Tentative Map to subdivide an approximate 6.4-acre undeveloped parcel into 16 single-family residential lots and one open space lot; 4) A Planned Development Permit to allow development of 16 single-family residences incorporating limited deviations from Land Development Code regulations; and 5) A Site Development Permit to allow the subdivision of a premise containing environmentally sensitive lands. The property is located at the northerly terminus of Wembley Street, south of Mission Gorge Road, west of Princess View Drive, and north of Waring Road, legally described as Lots 3, 4 and 5 of the Subdivision of Lots 61, 62 and the easterly Portion of Lot 63 of the Rancho Mission of San Diego, according to Map No. 1550.

CITY MANAGER’S RECOMMENDATION: Adopt the resolutions in Subitems A and B; adopt the resolution in Subitem C to grant the map; adopt the resolution in Subitem D to grant the permits; and introduce the ordinance in Subitem E.

=== LEGISLATIVE SCHEDULE (Continued) ===

Adoption Agenda, Discussion, Other Legislative Items

ITEM-336: Extending for One Year the North Bay Redevelopment Project Area Committee (PAC) and to Notice and Conduct PAC Election for 2005. (Clairemont Mesa, Linda Vista, Midway/Pacific Highway, Mission Valley, Old Town, Peninsula, and Uptown Community Areas. Districts 2 and 6.)

CITY MANAGER'S RECOMMENDATION: Adopt the resolution.

ITEM-337: Issuance of Multifamily Housing Revenue Bonds by the California Statewide Communities Development Authority (CSCDA) for the Acquisition and Construction of 106 Unit Multifamily Rental Housing Project known as Sagewood at Stonebridge Estates. (Rancho Encantada Community Area. District 7.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:
Adopt the resolution.

Non-Docket Items

Adjournment in Honor of Appropriate Parties

Adjournment

=== EXPANDED CITY COUNCIL AGENDA ===

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

ITEM-330: Progress Reports from Kroll (the Audit Committee), Willkie, Farr, Vinson & Elkins, and KPMG, regarding the Audit and Financial Investigation of the City of San Diego's Pension System and Disclosure Practices.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2006-)

Accepting the status reports provided by Kroll (the Audit Committee), Willkie, Farr, Vinson & Elkins and KPMG, regarding their respective progress in the matter of the audit and financial investigation of the City of San Diego's pension system and disclosure practices;

Directing the City Attorney to prepare the necessary Resolution associated with the action.

CITY MANAGER SUPPORTING INFORMATION:

At the City Council meeting of June 28, 2005, the Mayor and City Council directed the City Manager to return on August 9, 2005, with progress reports to be presented by Kroll (the Audit Committee), Willkie, Farr, Vinson & Elkins, and KPMG regarding their respective work on the audit and financial investigation of the City of San Diego's pension system and disclosure practices.

Ewell/Villa

Staff: Lisa Irvine – (619) 236-6070

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-331: Two actions related to Fourth Amendment to Agreement with Kroll, Inc. for Services related to the Audit of the City's Comprehensive Annual Financial Report (CAFR); and Third Amendment to Agreement with Willkie, Farr and Gallagher to Provide Independent Legal Counsel to Kroll and the Audit Committee on These Matters.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions:

Subitem-A: (R-2006-)

Authorizing a Fourth Amendment to the Agreement with Kroll, Inc., in the amount of \$1,200,000, for continued provision of investigative services in their role as the City's Audit Committee, and consulting assistance in assessing internal control deficiencies affecting matters discussed in the Vinson and Elkins and City Attorney investigation reports, and directing the City Attorney to prepare applicable resolution.

Subitem-B: (R-2006-)

Authorizing a Third Amendment to Agreement with Willkie, Farr & Gallagher LLP in the amount of \$1,200,000, for provision of independent legal counsel to the City Audit Committee and Kroll in connection with the above matters, and directing the City Attorney to prepare the applicable resolution.

CITY MANAGER SUPPORTING INFORMATION:

In February of 2005, the City of San Diego ("City") entered into an agreement with Kroll, Inc. ("Kroll") to receive, review and evaluate the findings of the investigations performed by Vinson & Elkins ("V&E") and the City Attorney, and to provide consulting assistance in assessing internal control deficiencies affecting matters discussed in the investigation reports (see agreement with Kroll). The original agreement was for a not-to-exceed amount of \$250,000. Three subsequent amendments, one in May and two in June of 2005 (one each for FY 2005 and FY 2006), increased the not-to-exceed amount to \$2,350,000, and another amendment is before the Mayor and City Council today requesting an additional amount of \$1,200,000, bringing the total not-to-exceed amount to \$3,550,000.

The scope of Kroll's engagement, as memorialized in the original agreement, is two-phased, the first phase being to serve as an Independent Investigator for matters relating to the unfunded liability of the SDCERS and for errors discovered in the footnotes of the City's audited financial statements.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-331: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

This phase includes working with KPMG to understand their concerns and identify a satisfactory work program to assist them in obtaining the necessary evidence and documentation required by applicable accounting, auditing and professional services. This phase also includes review and evaluation of the investigation reports issues by V&E and the City Attorney.

The second phase includes consultation with City personnel to establish internal controls that, if implemented and properly operated by the City, could provide reasonable assurance that the transactions identified in the reports in Phase One are properly reported and disclosed in the City's financial statements. This work is to be coordinated with the City Auditor and Comptroller, the internal audit department manager, and the City's outside independent auditors as to the scope and nature of internal controls that the City would need to assess, document, implement, and test.

By this action, the agreement with Kroll will be increased by \$1,200,000, for a total not-to-exceed amount of \$3,550,000, to cover estimated expenses for August through October of Fiscal Year 2006.

Kroll will also be utilizing independent legal counsel from the firm of Willkie, Farr & Gallagher LLP ("Willkie, Farr"). Willkie, Farr's role will be to provide counsel and assistance to Kroll and the Audit Committee in connection with the independent investigation into SDCERS finances and disclosure, as well as with other matters that, in the judgment of the Audit Committee, may require inquiry or investigation (see agreement with Willkie, Farr). Willkie, Farr will report exclusively to the Audit Committee, serving with complete independence from the Mayor and City Council, the City, and the City's departments, agencies and elected officials.

Funding for the retention of Willkie, Farr in the amount of \$500,000 was approved by the Mayor and City Council in May of 2005. Two subsequent amendments in June of 2005 (one each for FY 2005 and FY 2006) increased the not-to-exceed amount to \$1,450,000. An additional amendment is before the Mayor and City Council today, requesting an additional \$1,200,000 to cover estimated expenses for August through October of Fiscal Year 2006, and would bring the total not-to-exceed amount to \$2,650,000. General Fund portion of expense will be paid from Public Liability Fund. Other expenses will be paid from operating allocations or fund balance.

Ewell/Villa

Aud. Certs. 2600090 and 2600091.

Staff: Lisa Irvine – (619) 236-6070

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-332: Seventh Amendment to Retention Agreement with KPMG, LLP to Perform an Audit of the City's FY 2003 Financial Statements.

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2006-)

Authorizing a Seventh Amendment to the Retention Agreement between the City of San Diego and KPMG, LLP in an amount not to exceed an additional \$600,000, for services related to an audit of the City's FY 2003 financial statements;

Directing the City Attorney to prepare the necessary Resolution associated with the action.

CITY MANAGER SUPPORTING INFORMATION:

On January 27, 2004, the City filed a voluntary financial disclosure concerning, in part, certain errors and correctible statements in the City's FY 2002 Comprehensive Annual Financial Report ("CAFR"). As a result, the FY 2003 CAFR has not been finalized and issued. The City Manager retained the firm of KPMG, LLP to perform the audit of the City's FY 2003 basic financial statements, which are included in the CAFR, before the FY 2003 CAFR is finalized and issued. Through the sixth amendment with KPMG, the City Council has authorized \$2.5 million.

Pursuant to accounting standards and practices, the City has retained Vinson & Elkins, Kroll, Inc. and Willkie, Farr to conduct an additional investigation beyond the scope of the first Vinson & Elkins Report on Investigation. The additional investigation is necessary because the City's and KPMG's obligations with respect to allegations of illegal conduct in the context of an audit are broader than the investigation and reporting on federal disclosure law violations, the purpose for which the Vinson & Elkins Report was commissioned, and the additional investigation will address legal issues and allegations of wrongdoing that were not the subject of the Vinson & Elkins Report. The City has been working cooperatively with KPMG, Vinson & Elkins and the City's Audit Committee on the additional investigation.

Given the continued importance of a thorough review, the City Manager is requesting that the Mayor and City Council authorize a seventh amendment with KPMG for an additional \$600,000 for Fiscal Year 2006 for a total contract amount not to exceed \$3,100,000. The \$600,000 will be used to pay for KPMG services provided during Fiscal Year 2006.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-332: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The General Fund portion of this expense will be paid from the Public Liability Fund. Other expenses will be paid from operating allocations or fund balance.

Ewell/Villa

Staff: Lisa Irvine – (619) 236-6070

Aud Cert. 2600092.

ADOPTION AGENDA, DISCUSSION, HEARINGS

NOTICED HEARINGS:

ITEM-333: Promontory Point Condominiums.

Matter of approving, conditionally approving, modifying or denying a Street Vacation, Tentative Map and Site Development Permit to allow development of a 15,246 square foot site with a twelve unit multi-family condominium project in a seven story building, two levels of which are a parking garage, and vacation of unused public right-of-way, site grading and landscape improvements. The project site is located at the northerly terminus of Sixth Avenue in the Mid-City Planned District within the Uptown Community Plan Area.

(Uptown Community Plan Area. District 3.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolutions in Subitems A and B; and adopt the resolution in Subitem C to grant the permit:

Subitem-A: (R-2006-12)

Adoption of a Resolution certifying that Mitigated Negative Declaration No. 1612, on file in the Office of the City Clerk, has been completed in compliance with the California Environmental Quality Act of 1970 (California Public Resources Code section 21000 et seq.), as amended, and the State guidelines thereto (California Code of Regulations section 15000 et seq.), that the declaration reflects the independent judgment of the City of San Diego as Lead Agency and that the information contained in the report, together with any comments received during the public review process, has been reviewed and considered by this Council in connection with the approval of a site development permit, tentative map and street vacation for the Promontory Point Condominium Project;

That the City Council finds that project revisions now mitigate potentially significant effects on the environment previously identified in the Initial Study and therefore, that the Mitigated Negative Declaration, a copy of which is on file in the Office of the City Clerk and incorporated by reference, is approved;

That pursuant to California Public Resources Code section 21081.6, the City Council adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the project as required by this body in order to mitigate or avoid significant effects on the environment, a copy of which is attached hereto, as Exhibit A, and incorporated herein by reference;

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-333: (Continued)

Subitem-A: (Continued)

That the City Clerk is directed to file a Notice of Determination (NOD) with the Clerk of the Board of Supervisors for the County of San Diego regarding the above project.

Subitem-B: (R-2006-13)

Adoption of a Resolution adopting the findings with respect to Tentative Map No. 123433;

That pursuant to California Government Code section 66434(g), Sixth Avenue, located within the project boundaries as shown in Tentative Map No. 123433, shall be vacated, contingent upon the recordation of the approved final map for the project;

That the recommendation of the Planning Commission is sustained, and Tentative Map No. 123433 and Street Vacation No. 123434 are granted to Windmill Construction Company, Applicant/Subdivider and Clifford W. La Monte, Engineer, subject to the attached conditions, which are made a part of this resolution.

Subitem-C: (R-2006-)

Adoption of a Resolution granting or denying Site Development Permit No. 123430, with appropriate findings to support Council action.

OTHER RECOMMENDATIONS:

Planning Commission on June 20, 2005, voted 5-0 to approve; no opposition.

Ayes: Schultz, Otsuji, Griswold, Chase, Ontai
Recusing: Steele
Not present: Garcia

The Uptown Community Planning Group voted 10:2:1 to recommend approval of the project at their October 5, 2004 meeting. No specific concerns or requested conditions were identified. Please see Planning Commission Report No. PC-05-188 for a full discussion.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-333: (Continued)

CITY MANAGER SUPPORTING INFORMATION:

The project site is located at the northerly terminus of Sixth Avenue in the Mid-City Planned District within the Uptown Community Plan area. The vacant 0.35 acre site is zoned MR800B, which allows multi-family residential development. The project requires a Site Development Permit to be issued due to deviations the project proposes from the regulations of the Mid-City Planned District as allowed by a Process Three decision in the regulations of the planned district, a tentative map to create a condominium property for twelve condominiums to be offered for sale, and a street vacation to vacate and relinquish excess right-of-way not utilized by the City of San Diego for public right-of-way purposes.

The project is classified as a priority project as defined by the City Storm Water Standards. The project is required to comply with the State Water Resources Control Board Order No. 92-08-DWQ (NPDES General Permit No. CAS0000002).

The Promontory Point Condominiums Project is estimated to generate approximately 72 average daily trips. The project would not result in any significant traffic impacts on the surrounding roadway network.

City staff recommends the City Council STATE for the record that the information contained in the Project No. 1612/LDR File No. 400838 has been completed in compliance with California Environmental Quality Act and State CEQA Guidelines, and CERTIFY the Mitigated Negative Declaration No. 1612 reflects the independent judgment of the City of San Diego as Lead Agency; and ADOPT the Mitigation Monitoring and Reporting Program; and City Council APPROVE Street Vacation No. 123434, Tentative Map No. 123433 and Site Development Permit No. 123430.

FISCAL IMPACT:

No cost to the City. All costs are recovered through a deposit account funded by the applicant.

Oppenheim/Halbert/JSF

LEGAL DESCRIPTION:

The vacant, steeply sloped 0.35-acre site is located at the end of Sixth Avenue, north of Arbor Drive in the MR-800B zone of Mid-City Communities Planned District within the Uptown Community Plan area and Council District 3 and is more particularly described as Lots 28 & 29 of Fleischer's Addition, Map No. 811.

Staff: John S. Fisher - (619) 446-5231

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-334: SDG&E Right-Of-Way Vacation.

Matter of approving, conditionally approving, modifying or denying a Public Right-Of-Way Vacation to vacate a portion of "G" Street located between 29th and 30th Streets for the future location of an SDG&E substation in the CT-2 Zone of the Southeastern San Diego Planned District within the Grant Hill neighborhood of the Southeastern San Diego Community Planning area.

(R-O-W Vacation/Project No. 48297. Southeastern Community Plan Area. District 8.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2006-75)

Adoption of a Resolution vacating the portion of "G" Street between 29th and 30th Streets as described in the legal description marked as Exhibit "A";

That the City Clerk shall cause a certified copy of this resolution, with attached exhibits attested by him under seal, to be recorded in the Office of the County Recorder.

OTHER RECOMMENDATIONS:

The Southeastern San Diego Planning Group has recommended approval of the project.

CITY MANAGER SUPPORTING INFORMATION:

San Diego Gas Electric (SDG&E) requests a street vacation for a portion of "G" Street per map 547 of the E. W. Morse's subdivision of pueblo lot 1150 between 29th and 30th Street to create a site for the construction of a utility substation. The proposed substation is located within the Grant Hill neighborhood of the Southeastern San Diego Community planning area within Council District 8. The 2.6-acre substation site will include the proposed right of way vacation and lots 9 through 41 and 48 of the E. W. Morse's subdivision of pueblo lot 1150, all of which are owned by SDG&E and front "G" Street. SDG&E has indicated that the proposed utility substation is necessary to meet existing and anticipated customer-driven electrical load growth and to improve distribution equipment capacity and reliability that would prevent potential long-term disruption of service to existing customers in the vicinity of the Grant Hill Substation.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-334: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The city has determined that this public right-of-way is no longer needed as the street is currently unimproved and the street will provide access only to the SDG&E Substation. In addition, the city has no future plans on improving the street and access to neighbors west of “G” Street will be served along 29th Street. The public will benefit from the proposed vacation as the new power substation will enhance the community’s power needs and provide adequate power loads for anticipated future use. The vacation is consistent with the General Plan and Community Plan in that the substation will implement the Southeastern San Diego Community Plan by providing an adequate source of energy to the community.

FISCAL IMPACT:

A deposit has been collected from the applicant to cover all costs associated with processing the proposed project.

Oppenheim/Halbert/WJZ

LEGAL DESCRIPTION:

The proposed substation will be built on a 2.6-acre parcel located in the vicinity of State Route (SR) 94 and 30th Street in the community of Grant Hill, which is located in the Southeast San Diego Community Plan area of the City of San Diego (City). The parcel is bounded on the north by SR 94, on the east by 30th Street, on the west by vacant land, and on the south by several commercial uses, including a residential care facility. Included within the proposed site is SDG&E’s existing Golden Hill 12/4 Kilovolt (kV) substation, which will be dismantled and moved as construction on the new substation proceeds.

Legal Description for Street Vacation, Portion of “G” Street:

All that portion of “G” Street dedicated per Map No. 547, in the City of San Diego, County of San Diego, State of California recorded in the Office of the County Recorder of San Diego County, November 16, 1914, lying between 29th Street and 30th Street (as widened), more particularly described as follows:

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-334: (Continued)

LEGAL DESCRIPTION: (Continued)

Beginning at the northwest corner of Lot 24, Block 83 per said Map No. 547; Thence along the westerly line of that portion of "G" Street vacated per City of San Diego Resolution No. 22650, North of 00°21'47" east 10.00 feet to the northerly line of said vacated portion of "G" Street and the **true point of beginning**; Thence along said northerly line south 89°51'42" east 398.35 feet to the westerly line of that portion of "G" Street dedicated per City of San Diego Resolution No. 253621; thence north 00°08'18" east 30.00 feet; Thence north 89°51'42" west 1.70 feet; Thence north 00°08'18" east 30.00 feet to the southerly line of that portion of "G" Street vacated per City of San Diego Resolution No. 22650; Thence along said southerly line north 89°51'42" west 396.53 feet; Thence south 00°14'55" west 60.00 feet to the **true point of beginning**. Containing 0.547 acres, more or less.

NOTE: This activity is covered under Uptown Substation Project No. A.04-03-015, Final Initial Study/Mitigated Negative Declaration. The activity is adequately addressed in the environmental document and there is no change in circumstance, additional information, or project changes to warrant additional environmental review. Because the prior environmental documents adequately covered this activity as part of the previously approved project, the activity is not a separate project for purposes of CEQA review per CEQA Guidelines Sections §15060(c)(3) and 15378(c).

Staff: William Zounes - (619) 687-5942.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-335: River View Village Residential.

Matter of approving, conditionally approving, modifying or denying an application to/for; 1) Amend the Navajo Community Plan and the Progress Guide and General Plan for the City of San Diego to designate approximately 6.4-acres from light industrial use to single-family residential use; 2) Rezone approximately 6.4-acres from AR-1-2 (Agricultural-Residential) to RX-1-1 (Single-Family Residential – Small Lot); 3) A Tentative Map to subdivide an approximate 6.4-acre undeveloped parcel into 16 single-family residential lots and one open space lot; 4) A Planned Development Permit to allow development of 16 single-family residences incorporating limited deviations from Land Development Code regulations; and 5) A Site Development Permit to allow the subdivision of a premise containing environmentally sensitive lands. The property is located at the northerly terminus of Wembley Street, south of Mission Gorge Road, west of Princess View Drive, and north of Waring Road, legally described as Lots 3, 4 and 5 of the Subdivision of Lots 61, 62 and the easterly Portion of Lot 63 of the Rancho Mission of San Diego, according to Map No. 1550.

(See City Manager Report CMR-05-168. MND/MMRP/CPA No. 7687/RZ No. 7686/TM No. 7685/PDP No. 7688/SDP No. 7689/Project No. 3938. Navajo Community Plan Area. District 7.)

CITY MANAGER'S RECOMMENDATION:

Adopt the resolutions in Subitems A and B; adopt the resolution in Subitem C to grant the map; adopt the resolution in Subitem D to grant the permits; and introduce the ordinance in Subitem E:

Subitem-A: (R-2006-84)

Adoption of a Resolution certifying that the information contained in Mitigated Negative Declaration No. 3938 has been completed in compliance with the California Environmental Quality Act of 1970 (California Public Resources Code section 21000 et seq.) as amended, and the State guidelines thereto (California Administration Code Section 15000 et seq.), that the report reflects the independent judgment of the City of San Diego as Lead Agency and that the information contained in said report, together with any comments received during the public review process, has been reviewed and considered by the City Council;

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-335: (Continued)

Subitem-A: (Continued)

That the City Council finds that project revisions now mitigate potentially significant effects on the environment previously identified in the Initial Study and therefore, that said Mitigated Negative Declaration is hereby approved;

That pursuant to California Public Resources Code, section 21081.6, the City Council hereby adopts the Mitigation Monitoring and Reporting Program, or alterations to implement the changes to the project as required by this body in order to mitigate or avoid significant effects on the environment, a copy of which is attached hereto as Exhibit A, and incorporated herein by reference;

That the City Clerk is directed to file a Notice of Determination with the Clerk of the Board of Supervisors for the County of San Diego regarding the above project.

Subitem-B: (R-2006-83)

Adoption of a Resolution amending the Navajo Community Plan;

And amending the Progress Guide and General Plan for the City of San Diego to incorporate the above amended plan.

Subitem-C: (R-2006-)

Adoption of a Resolution granting or denying Tentative Map No. 7685, with appropriate findings to support Council action.

Subitem-D: (R-2006-)

Adoption of a Resolution granting or denying Planned Development Permit No. 7688 and Site Development Permit No. 7689, with appropriate findings to support Council action.

Subitem-E: (O-2006-10)

Introduction of an Ordinance changing 6.362 acres, located at the northerly terminus of Wembley Street, south of Mission Gorge Road, west of Princess View Drive, and north of Waring Road, in the Navajo Community Plan Area, in the City of San Diego, California, from the AR-1-2 (Agricultural-Residential)

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-335: (Continued)

Subitem-E: (Continued)

Zone (previously referred to as the A-1-1 Zone) into the RX-1-1 (Single-Family Residential) Zone, as defined by San Diego Municipal Code Section 131.0404; and repealing Ordinance No. O-18248 (New Series) adopted January 8, 1996, of the Ordinances of the City of San Diego insofar as the same conflicts herewith.

OTHER RECOMMENDATIONS:

Planning Commission on December 16, 2004, voted 6-0 to approve; was opposition.

Ayes: Steele, Ontai, Lettieri, Chase, Garcia, Otsuji
Not present: Schultz

The Navajo Community Planning Group on April 21, 2003, voted 13-2-0 to recommend approval of the project.

CITY MANAGER SUPPORTING INFORMATION:

In 1995, the City Council approved Planned Industrial Development, Hillside Review and Resource Protection Overlay Zone (PID/HRP/RPOZ) Permit No. 88-0794, the Mission Trails Industrial Park Project. This approval allowed the subdivision of a 48-acre site for development as a light-industrial park, located on the south side of Mission Gorge Road between Princess View Drive and Old Cliffs Road. A copy of the recorded Permit No. 88-0794 is included as Attachment 16. This development resulted in a 6.36-acre remainder parcel located at a southerly corner of the development, which was not a part of the PID/HRP/RPOZ Permit No. 88-0794. This parcel has remained undeveloped and is the subject of the current development application. The parcel has remained designated for light-industrial use in the Navajo Community Plan. However, the site is zoned AR-1-2, which would allow for a maximum of six dwelling units. The project proposal includes a request to amend the Navajo Community Plan to designate the site from light-industrial to single-family residential land use, and to rezone the property to RX-1-1, which would allow residential development of a maximum of 16 units.

The subject property is located at the terminus of Wembley Street, south of Mission Gorge Road and west of Princess View Drive, and north of Fontaine Street, within the Allied Gardens neighborhood. The proposed residential development is located in the southwest corner of the site and would occupy approximately 3.4-acres (one-half) of the property area. The remaining northwest portion of the parcel will remain undeveloped as a privately owned and maintained open space easement.

ADOPTION AGENDA, DISCUSSION, HEARINGS (Continued)

NOTICED HEARINGS: (Continued)

ITEM-335: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

Surrounding land uses consist of commercial and warehouse development to the north and northwest (Mission Trails Industrial Park); commercial, undeveloped, and an elementary school uses to the east; and the Allied Gardens residential neighborhood located to the south and east of the site. The project site is not within or adjacent to the City's Multi-Habitat Planning Area (MHPA).

FISCAL IMPACT:

All staff costs associated with processing this project are recovered from a separate deposit account provided and maintained by the Applicant.

Oppenheim/Halbert/WCT

LEGAL DESCRIPTION:

The project is located at the northerly terminus of Wembley Street in the Navajo Community Planning Area (Assessors Parcel Number 455-030-23, Lots 3, 4, and 5 of the subdivision of Lots 61, 62 and the easterly portion of Lot 63 of the Rancho Mission of San Diego, in the City of San Diego, State of California, according to Map No. 1550.

Staff: Bill Tripp - (619) 446-5273.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS

RESOLUTIONS:

ITEM-336: Extending for One Year the North Bay Redevelopment Project Area Committee (PAC) and to Notice and Conduct PAC Election for 2005.

(Clairemont Mesa, Linda Vista, Midway/Pacific Highway, Mission Valley, Old Town, Peninsula, and Uptown Community Areas. Districts 2 and 6.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution:

(R-2006-90)

Authorizing a one-year extension of the PAC and directing Agency staff to notice and conduct the North Bay PAC elections in 2005.

CITY MANAGER SUPPORTING INFORMATION:

California Community Redevelopment Law, California Health and Safety Code Section 33385, requires the legislative body of a city to call upon residents and existing community organizations in a redevelopment project area to form a Project Area Committee ("PAC") if there is a substantial number of low or moderate-income residents within the project area, and the redevelopment plan contains authority for the agency to acquire property by eminent domain on which anyone resides, or the redevelopment plan contains one or more public projects that will displace a substantial number of low/moderate-income residents. Each PAC serves as an advisory body to the Redevelopment Agency on policy matters affecting the residents of the project area. The Agency is required to consult with the PAC for at least three years after the redevelopment plan is adopted, subject to one year extensions by the legislative body.

Each PAC is elected and conducts its business in accordance with its specific PAC Formation Procedures ("Procedures") that were adopted individually by the City Council. The Procedures address the purpose and authority of the PAC, define the PAC's composition and membership, establish eligibility requirements for the term of membership, and set procedures for conducting elections.

In accordance with the North Bay PAC Procedures, Agency staff must seek authorization from the City Council to: 1) extend the Redevelopment Project Area Committee (PAC) for one year; and 2) notice and conduct the PAC election.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS (Continued)

RESOLUTIONS: (Continued)

ITEM-336: (Continued)

CITY MANAGER SUPPORTING INFORMATION: (Continued)

The North Bay Project Area Committee (PAC) voted 15-0-0 on June 1, 2005, to recommend a one-year extension of the PAC.

If the City Council approves the extension and election, Agency staff will proceed with conducting the North Bay PAC election in October.

FISCAL IMPACT: None with this action.

Oppenheim/Faulk/LGR

Staff: Lydia Goularte-Ruiz – (619) 533-5170
Rachel H. Witt – Chief Deputy City Attorney

ITEM-337: Issuance of Multifamily Housing Revenue Bonds by the California Statewide Communities Development Authority (CSCDA) for the Acquisition and Construction of 106 Unit Multifamily Rental Housing Project known as Sagewood at Stonebridge Estates.

(See Housing Authority Report HAR05-013. Rancho Encantada Community Area. District 7.)

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2006-100)

Authorizing the issuance, sale and delivery of multifamily housing revenue bonds (Bonds) in one or more series, in an amount not to exceed \$12,000,000 in outstanding aggregate principal amount, by the California Statewide Communities Development Authority (CSCDA), for the purpose of financing the acquisition and construction of a 106 unit multifamily rental housing project located within the jurisdiction of the City and generally known as Sagewood at Stonebridge Estates.

NON-DOCKET ITEMS

ADJOURNMENT IN HONOR OF APPROPRIATE PARTIES

ADJOURNMENT